

are as under :

Loan as multiple of accumulated savings	Amount of Loan	Rate of Interest
(i) 4 times	Upto Rs. 50,000/-	10.5%
(ii) 3 times	Above Rs. 50,000/- and upto Rs. 1 lakh	12.0%
(iii) 2 times	Above Rs. 1 lakh and upto Rs. 2 lakh	13.5%
(iv) 1.5 times	Above Rs. 2 lakhs	14.5%

NHB has further reported that under the HLAS the designated banks and HFCs have collected an amount of Rs. 365.86 crores upto the end of March, 1996, out of which an amount of Rs. 28.56 crores has been utilised by the implementing agencies so far.

(c) and (d). NHB has reported that there is no proposal at present to reduce the rates of interest on refinance by it.

(e) The Regional Rural Banks (RRBs) have been permitted by Reserve Bank of India to lend for housing activities in the rural areas upto 5% of their incremental deposits subject to a maximum ceiling of Rs. 1 lakh per borrower. In consultation with Reserve Bank of India and National Bank for Agriculture and Rural Development, NHB has initiated the formulation of a scheme to refinance RRBs in this regard.

#### Cheating of Bank

4369. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned "CBI arrests four for cheating bank" appearing in the 'Hindustan Times' dated December 5, 1996;

(b) if so, the facts thereof;

(c) whether handwriting expert confirmed the bogus signatures on drawee bills, hundis and other bills;

(d) if so, the reasons as to why the bank officials failed in verifying the genuineness of signatures before clearing those documents and the action taken by the Authorities for the lapses; and

(e) whether the Government propose to ask the R.B.I. to collect the information of frauds etc. from the private sector banks also, and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). Central Bureau of Investigation (CBI) have reported that a case was registered by them on 23.5.1994 on the allegations that a fraud was committed by the Directors of M/s. R.K.B. Herbals P.Ltd., New Delhi in conspiracy with the Branch

Manager of Vijaya Bank, R.K. Puram, New Delhi cheating the bank to the tune of Rs. 87 lakhs during the period 1987-1990 on the strength of bogus documents. CBI has also reported that the signatures appearing on the bogus hundies and invoices did not belong to any account holders whose specimen signatures are kept by the bank for verification. The three Directors of the company and the Branch Manager were arrested on 4.12.1996 and the CBI propose to file charge-sheets for their prosecution in Court. The bank has conducted its own investigation into the matter and fixed accountability on 7 officials of the bank and initiated departmental action against them.

(e) Reserve Bank of India (RBI) have reported that frauds in banks for less than Rs. 1.00 crore are monitored by their regional offices while the frauds of Rs. 1.00 crore and above are monitored by Central Office of Department of Supervision of RBI. For cases of frauds of less than Rs. 1.00 crore, no statement/information regarding action taken against delinquent staff is obtained from private sector and foreign banks. However, these banks have clear instructions to report all cases of frauds of above Rs. 10,000/- to Police.

#### Patent Right

4370. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether a WTO Committee is likely to visit India to investigate the charges of violation of Intellectual Property Rights;

(b) if so, the details of charges made against India;

(c) the Government views on Intellectual property rights in India; and

(d) the stand likely to be taken by the Government relating to patent-issues during the probe by the WTO Committee?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). No Committee of the World Trade Organisation (WTO) is to visit India to investigate the charges of violation of intellectual property rights.

However, in pursuance of the provisions of Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) of the World Trade Organisation (WTO) and Article 64 of the Agreement on Trade Related Aspects of Intellectual Property Rights, on 2 July, 1996, the Government of the United States of America had sought consultations with India alleging the absence in India of either patent protection for pharmaceutical and agricultural chemical products or formal systems that permit the filing of patent applications for such products and that permit the grant of exclusive marketing rights in such products. The consultations were held on 27 July, 1996. The DSU provides that the complaining party may request the

Dispute Settlement Body (DSB) of the WTO to establish a panel to examine the allegation if the consultations fail to settle the dispute within sixty days after the date of receipt of the request for consultations. In accordance with these provisions, on 7 November, 1996 the USA requested the establishment of a panel to examine the dispute. The DSB, at its meeting held on 20 November 1996 considered this request and decided to establish a panel.

(c) and (d). As a signatory to the Agreement Establishing the WTO of which the TRIPs Agreement is an integral part, India has to fulfill all obligations that emanate from its membership of the WTO. Government of India is in the process of holding consultations in order to work out appropriate measures with regard to the amendment of the Indian Patents Act 1970.

### Foreign Investment

4371. SHRI PARASRAM BHARDWAJ : Will the Minister to INDUSTRY be pleased to state :

(a) whether the Government has further liberalised the provisions relating to automatic approval of foreign investment.

(b) whether the earlier policy specially banned import of second hand machinery and stated that the plant and machinery should be new and not second hand;

(c) whether the concerned administrative Ministries are not in favour of the inclusion of more industries in the annexure III of the industrial policy of 1991; and

(d) if so, the details regarding the plan of the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. Recently, the foreign investment parameters have been further liberalised to facilitate better and increased flow of foreign technology and equity and provide greater attraction to prospective investors. It will no longer be necessary for automatic approvals by RBI that the amount of foreign equity should cover the foreign exchange requirements for import of capital goods needed for the project. The import of capital goods for the project would be, however, subject to the EXIM Policy. The existing ceiling of Rs. 1 crore by way of payment of lumpsum fee for automatic approval has been raised to US \$ 2 million.

(b) Under the existing Policy, the plant and machinery proposed to be imported under the automatic approval scheme, should be new and not second hand.

(c) and (d). The Foreign Investment Policy as enumerated is constantly reviewed to make it more dynamic and investor-friendly with the objective of increasing foreign direct investment into the country particularly in priority/core sectors, including infrastructure. The views of concerned Ministries is taken

into consideration while undertaking such review and while framing policy.

### Reservation for Women in Panchayats and Municipalities

4372. SHRI RAMESHWAR PATIDAR : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the names of such States which have not passed necessary legislation to incorporate provisions of the Constitution (Seventy-third Amendment) Act, 1993 and the Constitution (Seventy-fourth Amendment) Act, 1993, which provide reservation of 33% seats for women in Panchayats and Municipalities respectively; and

(b) the steps taken by the Union Government in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D KHALAP) : (a) All the States where the provisions of Constitution (Seventy-third Amendment) Act, 1993 and the Constitution (Seventy-fourth Amendment) Act, 1993 are applicable have passed necessary legislations in accordance with the Constitutional provisions on Panchayats and Municipalities.

(b) Does not arise.

[Translation]

### Price of Coal

4373. SHRI SUSHIL CHANDRA : Will the Minister of COAL be pleased to state :

(a) the average number of layers (Seem) of coal found in the coal mines of Coal India Ltd;

(b) the details of mines in which various varieties of coal is found in various layers (Seem);

(c) the criteria adopted to fix the prices of coal of various qualities obtained from different layers (Seem) and

(d) the steps taken to ensure that fixation of price of coal is done on rational basis?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). Details of seems being worked mine-wise in Coal India Limited (CIL) with their declared grades are too voluminous to be incorporated in reply. These details are contained in Coal Directory of India 1995-96. Copy of the said Directory has been made available to the Library of the Parliament.

(c) and (d). The criteria adopted for fixation of coal prices is as under :

(i) In respect of non-coking coal, the prices are based on various grades from A to G depending on Useful Heat Value.